

PROBLEMS OF URBAN REDEVELOPMENT: A CASE STUDY OF  
THE MARTIN LUTHER KING, JR. HISTORICAL DISTRICT

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ABSTRACT

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Problems of Urban Redevelopment: A Case Study of the Martin Luther King, Jr. Historical District

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The primary intent of this degree paper is to examine the factors contributing to lack of redevelopment in the Martin Luther King, Jr. Historical District, formerly known as "Sweet Auburn." An attempt has also been made to analyze both qualitative and quantitative urban economic variables (area economy, crime, land use, housing and characteristics of population) that environmentally impact upon the central issue of lack of "Sweet Auburn's" redevelopment.

The factors contributing to the lack of redevelopment are important for several reasons. Many major western, midwestern and northeastern cities are presently suffering from infrastructural decay and major projects require astronomical financial capacity. The urban crisis has impacted upon redevelopment or lack of it, in that the disamenities or negative forces (crime, juvenile delinquency, high taxes, and deterioration of infrastructure) have aggregatedly pushed persons to the suburbs. On the other hand, factors that have pulled persons to the suburbs are: low taxes, better schools, new housing, open spaces and



new or unfinished infrastructure. These two forces, along with many other political, social and economic forces have contributed to the decline of the inner city and lack of redevelopment within the Martin Luther King, Jr. Historical District. The primary sources were formal interview with Mr. John Heath of the Atlanta Department of Community Development and informal interviews were conducted with various neighborhood residents. The secondary sources of data collection were from various books, articles and magazines.

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## I. INTRODUCTION

The fiscal crisis of the nation's major cities has escalated and continued with the rate of inflation. These problems are caused by a technologically advancing society, coupled with President Reagan's "New Federalism."

New Federalism is not like a layered cake with each level of government having its own autonomous sphere of decision making, rather it is like a marble cake with decision making being instituted at all levels of government.<sup>1</sup>

State and local governments do not possess the financial capacity to handle the increasing cost of services, relative to inflation. The inability of the state and localities to finance all services, public welfare, hospitals, streets and sanitation, highways, education, parks, recreational facilities, fire department and police protection, unfortunately has led to the substantial development of federal grants, municipal bond markets and state-in-aid.

The government of the City of Atlanta provides the aforementioned services reasonably well. Additionally, Atlanta city government is concerned with community development and adequate financing of the projects. Present development of the Martin Luther King, Jr. Historical

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<sup>1</sup>Robert Lamb and Stephen P. Rappaport, "Municipal Bonds: The Comprehensive Review of Tax-Exempt Securities and Public Finance," Chapter 4, State and Local Revenue and Expenditures (New York: McGraw-Hill Book Co., 1980), p. 79. New Federalism is designed to give the states more responsibility for their financial liabilities. Ultimately, this will provide the states with more power to govern themselves without the interference of the federal government.

Site and Preservation District is under way. This community possesses a significant historical value to the Black culture.

Historically, Auburn Avenue and the surrounding area is known as "Sweet Auburn Avenue" because of the financially sweet success of its entrepreneurs. However, John Wesley Dobbs, the grandfather of Maynard Jackson, paraphrased the title "Sweet Auburn" from a poem entitled, "The Deserted Village" by Oliver Goldsmith. Cultivated between 1890 and 1930, adjacent to Atlanta's Central Business District, Sweet Auburn thrived as a center of Atlanta's black business and professional community in the 1950s. Several of the district's original institutions, businesses and structures still remain as symbols of successful black enterprise in Atlanta.<sup>2</sup>

Martin Luther King, Jr.'s church, his birthplace site and the Martin Luther King Center for Social Change are located on Auburn Avenue. The Martin Luther King (MLK) Birth Home at 501 Auburn Avenue is a two-story frame Queen Anne-style house built in 1895. The home has been carefully restored. King's gravesite is surrounded by a memorial park, consisting primarily of a brick and concrete plaza, an arch-covered walkway, a chapel and a reflecting pool. The grave has simple markers, an eternal flame and the words: "Free at last, free at last, thank God Almighty, I'm free at last."

Ebenezer Baptist Church, which was under the ministerial leadership of the King and Williams families for over seventy years, is located just west of the gravesite. Construction of the church began

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<sup>2</sup>Maynard Jackson, "Dobbs Lecture Series: You Can't Eat Magnolias," Spelman College, Atlanta, Georgia, 21 October 1982.

in 1914 and was completed in 1922. It is a three-story, red brick structure with several groupings of stained glass windows. Ebenezer served for some time as a base of operations for the civil rights organization, the Southern Christian Leadership Conference.

Another church, Big Bethel African Methodist Episcopal, has had a pervasive influence in the development of Atlanta's black community. Founded in 1865, Big Bethel's present structure was begun in 1891 and completed in 1921. In 1923, the church was gutted by fire and was rebuilt in 1924. The tower of Big Bethel visibly dominated Sweet Auburn with the message, "Jesus Saves."

The Butler Street YMCA is another institution of great significance to Atlanta's black community. As a conference center for the civic and political organizations, the Butler Street Y was one of the first public facilities in Atlanta used for interracial dialogue. Since 1942, the Y's Hungry Club meetings have served as a forum where blacks and whites meet to exchange information and discuss politics.<sup>3</sup>

The block of Auburn Avenue between Courtland and Piedmont is the site of the Atlanta Life Insurance Company complex. Atlanta Life, which is the second largest black insurance company in the United States, was founded in 1905 by Alonzo F. Herndon. The classical facade of the original central building contrasts with the contemporary design of Atlanta Life's new headquarters building. The other historic building in the Atlanta Life complex is the Henry A. Rucker

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<sup>3</sup>Joey Scotina and Eleanor Matthews et al., Martin Luther King, Jr. Impact Study (Atlanta: Bureau of Planning, September 1983), p. 6.



Building which was built in 1906 by two black contractors. The Rucker Building was Atlanta's first black-owned office building.

The Atlanta Daily World, the nation's oldest continuously operated, black-owned newspaper, is located on Auburn Avenue. Founded in 1928, the newspaper became a daily in 1932. Other historic structures of significance on Auburn Avenue include the Prince Hall Masonic Building, the Oddfellows Building and Auditorium, and the Herndon Building.

The Old Fourth Ward, which lies in the northeast quadrant of the preservation district (see Appendix A) is an historically significant residential neighborhood where many of the city's middle class blacks lived during the early decades of this century. Prominent blacks who lived in this neighborhood include: Bishop William A. Fountain, A.M.E. Bishop and President of Morris Brown College; Ossiam Flipper, the first black cadet to graduate from West Point; Antoine Graves, one of the city's first black real estate brokers; David Tobias Howard, a former slave who became a successful mortician and civic leader; John Wesley Dobbs, an early black political activist and grandfather of former Atlanta mayor, Maynard Jackson.

These persons, institutions, organizations, and businesses are vital to "Sweet Auburn's" survival as a viable neighborhood and national historical district. Fortunately, the federal government has a myraid of financial redevelopment strategies aimed at revitalizing historically significant areas similar to "Sweet Auburn." The reader should consider the primary amenity of "Sweet Auburn" as its local

and national historical significance. This community case study analyzes why "Sweet Auburn" has deteriorated and what pragmatic fiscal alternatives can be adopted to redevelop the historic district. This community case study concludes by recommending ways the City of Atlanta, Georgia can benefit financially by utilizing tax incentives, diversifying revenue resources of the city as well as implementation of innovative management techniques, coupled with a plan of corrective action.

The purpose of the impact study was to examine various variables that contribute to lack of redevelopment in the study area and present recommendations based on the data collected.

## II. THE PROBLEM AND ITS SETTING

The internship experience took place in Atlanta, Georgia from July 1982 through September 1982. The agency that provided the internship was the Atlanta Bureau of Planning. The Bureau was created by an ordinance in 1974 and was made up of two bureaus: The Bureau of Budget Policy and Evaluation, and the Bureau of Planning. Since the mayor's election in 1981, the organizational structure of the City of Atlanta has been changed. Presently, the Bureau of Planning is now within the Department of Community Development. The agency's primary purpose is that of providing professional information on Neighborhood Planning Units or areas under study by the City of Atlanta.

In 1975, the Bureau of Planning presented to the mayor and council a proposed system of Neighborhood Planning Units (NPU) which divided the city into twenty-four NPUs, i.e., geographic areas composed of one or more contiguous neighborhoods.

The neighborhood planner was widely expected to transmit information to the NPU, provide technical assistance on planning issues, advice, and constructive criticism to appropriate city officials and departments. The purpose of these NPUs is to provide an opportunity both for the citizenry Development Plan of the city and to provide a means by which information concerning the operation of city government can be provided to the citizens. Further, it is the city's policy to coordinate recommendations of the NPUs with the formulation of the city's budget, both capital and operating, in order that the comprehensive development plan be an effective policy guide for the orderly development of the city.<sup>4</sup>

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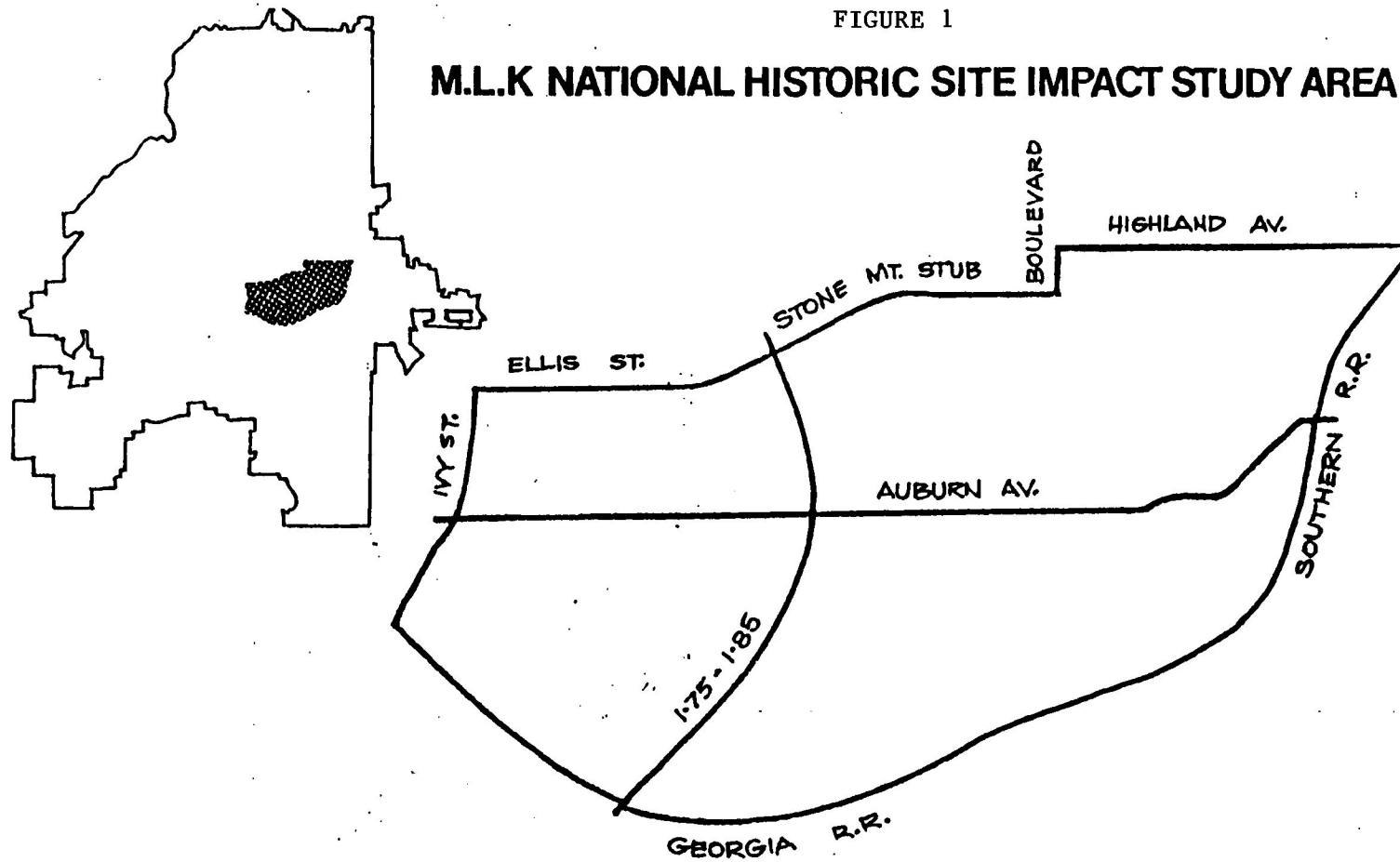
<sup>4</sup>Interview with Mr. John Heath, City of Atlanta, Bureau of Planning, August 4, 1986.

### The Internship Experience

The internship experience could be divided into three (3) non-experimental research areas: observation, research, and data collection. Observation involved investigating the neighborhood setting. Painstakingly, Mr. Jimmy Jones a Data Collection Specialist, and this writer individually surveyed approximately 1014 parcels of property and collected data regarding land use which was compiled on data sheets. The study area surveyed (see Map) was divided into four quadrants: Southeast, Southwest, Northeast and Northwest. This writer was fortunate to observe the planning function, attend National Park Service meetings, meet shop owners, and learn of the historical significance of the Martin Luther King, Jr. Historical and Preservation District while collecting data for the agency. Specifically, the writer's duties were to assist in writing the Martin Luther King, Jr. Historic District Impact Study, collecting land use surveys, attend National Park District meetings, and assist in analyzing what type of impact redevelopment would have on the "Sweet Auburn" Avenue community. The writer's duties varied and took on several areas of public administration, leadership styles, budgeting, and impact analysis. More importantly, the Department of Community Development enabled the staff and this writer to collect the data, analyze what type of an impact redevelopment would have on the area during 1983, and prepare summaries based on their findings.

FIGURE 1

# M.L.K. NATIONAL HISTORIC SITE IMPACT STUDY AREA



### III. STATEMENT OF THE PROBLEM

Drug abuse, crime, rape, larceny, muggings, juvenile delinquency, prostitution, single parented families and low incomes, are anathema to redevelopment. Redevelopment or physical improvements will not stop the negative social problems, therefore, redevelopment ought to involve a social reorganization of the community. Physical deterioration of various buildings and housing has resulted in divestment. Divestment occurs when various lending institutions refuse to loan money to a particular area because they have agreed the community is too risky for investment. This process is also known as "redlining." Conventional home improvement loan/insurance is obtainable, depending on the level of financial risk involved. Ultimately, these areas begin to attract only low income persons and welfare recipients. So, the owners of these various properties begin to fill their apartments with only welfare tenants; this process is known as "welfare stacking." The purpose of this process is to get as much money out of their investment before the building is demolished and ultimately abandoned. This process of deterioration is complex and it involves the interaction of social, economic and political forces. Therefore, it is reasonable to assume that the aforementioned factors that have contributed to the decline of "Sweet Auburn" were the products of federal, state and local public policies.

Specifically, the analysis section discusses crime, land use, area economy, housing and characteristics of the population in more detail, and the impact of the civil rights act on Sweet Auburn's economy, housing, crime and abandonment.

#### IV. REVIEW OF LITERATURE

There are many blighted urban neighborhoods throughout the United States that suffer from the lack of redevelopment. These blighted neighborhood problems are often the effects of federal legislative policy. Some of the policies that have impacted upon the blighted neighborhoods were: The Urban Renewal Program, which was created by Congress in 1949, Housing Acts of 1954, 1961, 1964 and 1965. Moreover, the intergrationist policies of the mid-fifties and early sixties; 1956 Brown vs. Board of Education of Topeka, Kansas; the 1964 Civil Rights Act; 1965 Voting Rights Act and ultimately the Fair Housing Act of 1965. These and other events served as catalysts within the black communities across the nation, enabling blacks to move freely. .

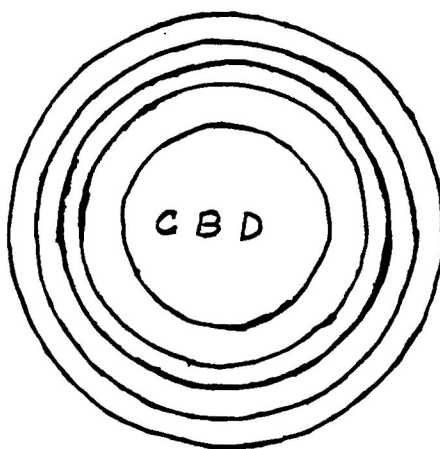
Housing was opened to blacks which allowed them freedom to move as long as they had the means to pay. Unfortunately, black neighborhoods and businesses deteriorated due to the population shift and increased mobility of blacks to white-owned shopping districts. Businesses suffered from increased supply of space, because now blacks had a broader selection of rental units which included downtown. So many of the office spaces within older declining areas and rental units remained vacant or were at lower prices which is the case of "Sweet Auburn." Inevitably, the office space began to deteriorate and remained vacant while housing catered to the needs of low income



persons. These persons were often transient and had no consideration for property, causing extensive damage to the property. Also, with deterioration came crime: rape, larceny, muggings and eventually abandonment. This urban life cycle of communities rise and decline is documented throughout our civilization. Various reasons have been advanced to explain the phenomenon of urban decline. These hypotheses may be applied to "Sweet Auburn's" current state of decay (1) The Natural Evolution Hypothesis, (2) Preferences and Income: "Pull" Hypothesis, (3) The Obsolescence Hypothesis, (4) The "unintended" Policy Hypothesis, (5) The Exploitation Hypothesis: Power, Capitalism and the Political Economy of Urbanization, (6) Theory of Abandonment, (7) Fiscal Crisis and the underclass.

(1) The Natural Evolution Hypothesis

Figure 2




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Source: S. Lang, "Contextual Overviews: The Urban Life Cycle as Paradigm in Urban Theory," Gentrification Amid Urban Decline (Cambridge, MA: Ballinger Publishing Company, 1982), pp. 50-51.

This model is best explained by William Burgess. He describes four distinct types which he believed could be grouped into the concentric rings:

- (1) The Central Business District (in Chicago, "The Loop");
- (2) The Zone in Transition: as the CBD grows, business and light manufacturing encroach on old slums and rooming houses making this the least desirable residential area;
- (3) The Zone of Workingmen's Homes: inhabited by laborers who have escaped from the deterioration of Zone 2 but wish to live close to their central workplaces;
- (4) The Residential Zone: a restricted or exclusive district consisting of high class apartments and single family homes for the middle and upper classes;
- (5) The Commuters Zone: suburban areas and satellite cities outside the city limits but within commuting distance to the CBD.<sup>5</sup>

However, today's central business core is also used for fairly expensive condominium and loft housing which keeps the central business district stable. The second ring is usually composed of various mixed land uses: factories, manufacturers and the urban poor. The poor being in housing projects, Section 221 housing, and urban development granted housing or some form of substandard housing. The second ring represents those members of the blue collar working class that managed to escape the first concentric circle. These groups of individuals are distinctly different ethnically and economically from each other particularly as the rings extend outward.

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<sup>5</sup>Hames Heilbrun, "Alternative Explanation of the Spatial Income Pattern," Urban Economics and Public Policy (New York: St. Martin's Press, 1981), pp. 144-145.

These divisions essentially explain how the central city is divided into concentric rings which each has its own individual flavor socioeconomically and ethnically.

The second theory is Preferences and Income: The "Pull Hypothesis. This degree paper is essentially based on an individual preference for suburban housing over central city due to various amenities such as cleaner streets, larger lots, newer housing, better garbage collection, lower taxes and open spaces. The movement from the central city is made possible by the increase in personal income. Throughout most of the 1950s and 1960s incomes in North America increased faster than housing costs. In other words, people could get more for their money. Higher income, however, does not explain why increases in quality were made largely by relocation rather than by improving the existing units. Nor does it explain why the units selected in relocation tended to be in the suburbs rather than in the older central city.

The explanation comes, in part, from the "Decline of the Aging Metropolis: Cultural Bases and Social Process," which Berry refers to as the "cultural predispositions of Americans and the social bases of urbanization in the United States."<sup>6</sup> He refers to the tendency for Americans to prefer the new over the old, private over public places, low density and mobility over stability. The former are all

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<sup>6</sup>G. Sternlieb and J. Hughes, eds., "The Decline of the Aging Metropolis: Cultural Bases and Social Processes," Post Industrial America: Metropolitan Decline and Inter-Regional Job Shifts (New Brunswick, N. J.: Rutgers University, 1975), pp. 175-185.

characteristics of the suburbs. While most of these are still true, although there has been a rapid convergence between central city and suburb in terms of the indices such as density, they in turn do not explain why some inner cities are declining in population much faster than others within the U.S. and why extensive decentralization is taking place in other countries which purportedly do not have these same value systems. We must, therefore, look for additional reasons.

On the other hand, these bedroom communities are not as they were once pictured. They have become office centers and even cultural and recreational centers. Exurban Lake County, Illinois, for example, has just attracted a major new Chicago-area racetrack, a replacement for a closer-in suburban tract that burned last year.<sup>7</sup> So what we notice is that the suburbs are becoming city-like entities without the commercial core and leaving the declining inner city. Hence, the demand for inner city housing has declined and filtering, deterioration and ultimately abandonment is a result. While the demand for suburban housing has increased, commuting has become an inferior good and its cost and inconvenience is less important.

The third hypothesis is the Obsolescence Hypothesis. This hypothesis is based on the crumbling infrastructure of cities and social infrastructure have become obsolescent. Reigeluth is the chief advocate of this. There are several types of obsolescence:

1. Functional, in which the existing structure, such as a port facility, is no longer economically

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<sup>7</sup>Ruth Knack, "The Once and Future Suburb," American Planning Association: Planning, vol. 52, no. 7 (July 1986):6-12.

usable because of design, location of demand;

2. Physical, in which the structure is now simply uninhabitable; and
3. Social, where preferences have changed to the extent that the structure is no longer in demand.

A typical view of this source of the problems of the inner city is summarized in the following quotation:

The root difficulty of the older urban regions ... is a secular one. They were built at too high population densities with too much vertical and inefficient factory space to be fully competitive either in the eyes of today's housing consumers or today's business producers.<sup>8</sup>

There is considerable validity to the technological (physical and functional) obsolescence argument in this hypothesis. The inner city is generally older, and as our earlier process-based definition suggested, is continually subjected to the pressures of aging. Nonetheless, aging need not imply obsolescence, except in the impact of technological change on industrial buildings and organizations. Social obsolescence, on the other hand, requires a change in preferences or a change in policies alter the choices available for consumers. High densities, for example, are relative not absolute. They are only high in comparison to some other areas, among which there is a choice. Obsolescence then is an important factor, but it is largely socially defined.

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<sup>8</sup>G. A. Reigeluth, "America's Older Cities: A Reflection of Europe's Urban Future," in Success Abroad: What Foreign Cities Can Teach American Cities (Washington, D.C.: U.S. House of Representatives, 1975), pp. 511-578.

The fourth hypothesis is "The 'Unintended' Policy Hypothesis."

This hypothesis views the declining inner city as the indirect and largely unintended result of a set of non-urban policies. These policies were designed to achieve other results and objectives, such as transportation improvements, but when combined have had the side effect of creating or accelerating many of the traditional inner city negative externalities. This, in turn, reduced the incentive to maintain the older housing stock in the inner city. At the same time, financing for older housing is costly and restricted through redlining, zoning or discrimination. There are many government policies, that have contributed to this decline; tax policies are most prominent.

Fourth Hypothesis--The Urban Institute suggests that tax policies have:

1. favored low density sprawl over compact development thus accelerating decentralization;
2. favored the construction of single family owner-occupied housing over rental and multi-family housing;
3. favored the development of new commercial, industrial and residential buildings over the maintenance of older capital stocks;
4. tilted the terms of economic competition towards the suburbs and against the older central cities;
5. favored investment in new housing over other types of investments.<sup>9</sup>

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<sup>9</sup>Urban Institute, "Federal Tax Policy and Urban Development," Search 7, 1 (Washington, D.C.: Spring 1977), p. 87.

Although the qualitative difference of tax policies are evident, the quantitative element is not as easy to identify.

Another identifiable and contributing unintended factor is federal highway systems which have caused urban sprawl. One noticeable effect is the ability of persons to move freely throughout our nation, not to mention from city to suburb. However, urban highway system had a negative impact. Downs records twenty-two kinds of losses imposed on households by urban highway and urban renewal projects. The losses fall into three categories:

1. losses imposed upon residential households by displacement itself;
2. losses imposed by uncertainties and delays; and
3. losses imposed upon those not directly displaced but located in surrounding areas.<sup>10</sup>

The displacement of these residents seem to be primarily low-income persons. Downs estimates that between 1962 and 1972 urban highway and urban renewal projects:

.... imposed uncompensated costs of at least \$156.5 to \$230.2 million per year upon approximately 237,200 displaced persons and at least another 237,200 non-displaced persons. In my opinion, this represents injustice on a massive scale. It amounts to an uncompensated loss averaging from \$812 to \$1,194 per household for each of the estimated 192,800 households involved. The median income of these households is probably around \$4,000 per year. Therefore, the average uncompensated loss which each is compelled to suffer amounts to confiscation of from 20 to 30 percent of one year's income.<sup>11</sup>

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<sup>10</sup> Anthony Downs, Urban Problems and Prospects (Chicago: Markham, 1970), pp. 224-25.

<sup>11</sup> Ibid.

Hence, the federal highway system had an affect on our neighborhoods in that it decentralized them, displaced persons, caused urban sprawl, reduced the tax base and depressed land values. These effects of this policy were unintended but caused dramatic negative results.

The fifth hypothesis is the Exploitation Hypothesis: Power, Capitalism and the Political Economy of Urbanization. Edel's line of argument is based on the assumption that the role of the institution in the inner city may be considered exploitative. For example, this hypothesis sees inner city decline as the result of an imbalance of power in decision making. This imbalance occurs between central city and suburb, as well as among social groups.<sup>12</sup> The city is designed from outside. Thus, as Boulding notes: "Everyone knows that the problem with central cities is that decisions made on their behalf are not made by people who live there nor in fact have many of them ever been there, except passing through."<sup>13</sup> In the politically fragmented American metropolitan area, in which the central city contains by far the largest deposit of the socially disadvantaged and economically-weak, it is not surprising that political power rests elsewhere.

In some instances, the arguments go beyond the lack of power by attempting to identify a "conscious plot" on the part of some

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<sup>12</sup>M. Edel, "Development vs. Dispersal: Approaches to Ghetto Poverty," in M. Edel and J. Rothenberg, eds., Readings in Urban Economics (New York: Macmillan, 1972), pp. 307-325.

<sup>13</sup>K. Boulding, "The City as an Element in the International System," Daedalus 97, 4



sectors of society to undermine the economic base, community structure and environment of inner city areas. It is difficult to identify the culprits and the form of the plot, but selected examples can be cited. Some landowners, real estate agents, and speculators attempt to drive down the price of land and housing so as to buy cheap and sell later at much higher prices for private or public renewal. The automobile companies, historically, benefitted enormously by the decline of urban transit systems, most of which were located in the inner city. Some municipalities benefit by the deterioration of the business climate in a competing city. And some businesses, of course, benefit by altering the geography of market areas within and between cities. Some others argue that the plot at least in U.S. cities, is based on racism, and the Federal Housing Administration is responsible for unfair lending practices.

Williams criticizes the role of public institutions and agencies. Financial institutions, notably building societies and residential mortgage lending institutions have in their allocation of loans also discriminated against older inner city housing and ethnic neighborhoods.<sup>14</sup> Recent evidence to refute this hypothesis is better known as redlining, at least with regard to F.H.A. lending policies among black and white neighborhoods.

Generally, however, these arguments blend into the approach which in geography and economics is now called the "political economy

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<sup>14</sup>P. Williams, "The Role of Institutions in the Inner London Housing Market: The Case of Islington," Transactions Institute of British Geographers, New Series, vol. 1:1:72-81.

or urbanization,"<sup>15</sup> according to Harloe. In its broadest sense, this hypothesis states that the massive urban concentration which took place in the 1950s, and metropolitan decline of the 1970s, are the social and spatial outcomes of the operation of an economic system which encourages, if not necessitates, the underemployment of certain people and regions. Large cities were created by the economic system in order to secure small business areas. Now that those economies are of decreasing importance, the individual city is being abandoned. The inner city becomes one of the spatial and social scrap heaps of modern capitalism.

Inner city working groups suggest that the specific reasons why capitalism now seems to encourage the running-down of the inner city is that the private sector can make more profits elsewhere, usually where short-term private cost are lower. But what is wrong with that? This approach argues that it is wrong precisely because the private sector receives most of the profits, but does not bear its fair share of social costs. These costs relate to structural change in the economy, to job retraining and industry relocation and to the rebuilding of worn-out urban areas. These areas provided the infrastructure and human resources on which earlier private profits were made. Inner city problems then become not failures of the market,

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<sup>15</sup> M. Harloe, ed., Captive Cities: Studies in the Political Economy of Cities and Regions (New York: John Wiley, 1977), pp. 13-28.

as the micro-economic approach suggests, but the result of the competitive market itself.<sup>16</sup>

This approach explicitly raises the question of who benefits from and who pays for uncontrolled economic change and urban growth. The argument is that private landowners, business and financial institutions are the major beneficiaries of inner city decline, aided by governments which are dominated by property and business interests. The costs are borne, in general, by society which is trapped by such changes in older declining areas or inner cities.

Another line of argument based on the role of institutions in the inner city may be called the exploitation hypothesis. Edel maintains that the literature in this area seems to show two avenues of concern, examines power relationships within the urban areas and specifically who makes decisions which influence the inner city.<sup>17</sup>

A second interpretation of the Exploitation Hypothesis has to do with suburban commuters and residents exploitative use of city services: city parks, street cleaners, city trash cans, city trains, bus parking lots, museums, etc. John Kasarda states in an article entitled "The Impact of Suburban Population Growth on Central City Function," that:

Increases in suburban populations have created a large demand for many ... central city services. For example,

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<sup>16</sup>Inner City Working Group, Inner Area Studies: A Contribution to the Debate (Birmingham, England: University of Birmingham, 1977), p. 78.

<sup>17</sup>M. Edel, "Development vs. Dispersal: Approaches to Ghetto Poverty," pp. 307-325.

the suburban population makes regular use of central city streets, parks, zoos, museums and other public facilities; its routine presence in the central city increases problems of the sanitation department and contributes to the cost of fire protection: the daily movement in and out of the central city of the large commuting population requires services that constitute a large proportion of the operating budget of both the police and highway departments. These are only some of the costs experienced by central city governments as a result of services they provide to their suburban neighbor.<sup>18</sup>

The large metropolitan areas usually do not receive full payment for various services rendered to suburbanites and exurbs. On the other hand, the city bears the cost for various diseconomies: traffic congestion, and air pollution.

In a recent study, Kasarda concluded that of 168 metropolitan areas in 1970, the suburban population level explained forty-four times as much of the intercity variance in central city public service expenditures as did the level of the central city population. When changes in population over the decade 1960-1970 were specified, the suburban change was twenty times as important as change in the core. Among individual public service sectors, suburban population growth was seventeen times as important as central city growth in explaining variations in central city police expenditures, while for fire and sanitation, the factors were ten and thirteen, respectively.<sup>19</sup> These high percentages seem to suggest that a serious amount of exploitation has taken place, with the possible exception of sanitation and some recreation activities,

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<sup>18</sup>John D. Kasarda, "The Impact of Suburban Population Growth on Central City Service Functions," American Journal of Sociology (May 1972):1116-17.

<sup>19</sup>Ibid.

all of these functions in the 168 cities were financed out of general taxation (so urban users are surely undercharged).

#### (6) Theory of Abandonment

The negative or intended result of various policies have led to disamenities or negative social forces within the environment that cause persons to abandon neighborhoods. These blighted neighborhoods are often the effects of housing policy. Michael A. Stegman states in "The Neighborhood Effects of Filtering,"

Fundamentally there are two reasons why public effort to improve low income deteriorating housing has had so little effect. First, much of the dissatisfaction with neighborhoods arises not from physical conditions but from social problems such as crime, drug abuse, unemployment and juvenile delinquency. These pathologies are not relieved by neighborhood rehabilitation but, on the other hand, do make such improvements and rehabilitation more difficult to sustain.

Second, the physical deterioration of neighborhoods, the problem with neighborhood public policy does try to deal with directly, is essentially not controllable with the tools now at hand.<sup>20</sup>

Hence, the natural process of a deteriorating neighborhood is that it ultimately filters down to lower income persons, later resulting in abandonment due to migratory patterns of the poor.

The process of abandonment is obscure and complex, involving the interaction of social, political and economic forces. Several different theories have been proposed. The causes and effects of abandonment are difficult to separate. Stoloff's study, "The National

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<sup>20</sup> Michael A. Stegman, "The Neighborhood Effects of Filtering," Journal of the American Real Estate and Urban Economic Association (Summer 1977):227-241.

Survey of Housing Abandonment," cites exploitative practices by real estate interests that take advantage of short-term opportunities for overcrowding as a cause.<sup>21</sup> Other factors included decreased or no maintenance, increased rents, increased sales and disinvestment by lending institutions. Also, urban renewal, high taxes, and code enforcement were found to exacerbate but not to cause abandonment.

A second theory of abandonment involves the family structure evolving into female-headed households, which is contributed to by socially negative forces. Eric Lincoln states:

The symptoms of the Negro family's enduring sickness are everywhere evident today. The Negro crime rate is higher by far than the national average. The rate of illegitimacy is higher - regardless of the inconsistency of reporting procedures - and may be as high as 25 percent. Negro drug addiction, especially among juveniles, is much higher than among whites - dramatic evidence of the attempt to escape the rigors of living in a society which for them bears little promise for a better future. The percentage of Negro high school dropouts, again far above the national average, reflects the same sense of Negro hopelessness. This is social sickness of epidemic proportions, and it spreads with steady deterioration of the Negro family.<sup>22</sup>

These particular factors lend themselves to social disorganization of a neighborhood, causing disamenities which result in residents seeking more desirable housing based on financial means.

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<sup>21</sup>David Stoloff, "The National Survey of Housing Abandonment," in Abandoned Housing Research, edited by the U.S. Department of Housing and Urban Development (Washington, D.C.: Superintendent of Documents, Printing Office, 1973), p. 40.

<sup>22</sup>C. Eric Lincoln, "The Absent Father Haunts the Negro Family, in Robert Staples, ed., The Black Family (University of California Medical Center: Wadsworth Publishing Co., Inc., 1971), pp. 345-346.

Another cause of abandonment, according to Sternlieb, is discrimination against minorities. From a national policy perspective, discrimination is evident through various legislation. For example, the impact of the Federal Housing Administration and Veterans Administration mortgages on the urban poor can be viewed through the moving out of the middle class and upper middle class to the suburban rings, shrinking the city's tax base and inevitably leading to deterioration of the inner city. The Federal Housing Administration (FHA) has two programs which were established under the National Housing Act of 1934. The FHA insures lenders against loss should borrowers default on home mortgage payments. Mortgages can cover up to 97 percent of appraised value on new and existing houses. For veterans, mortgages can cover 100 percent of the appraised value.<sup>23</sup> Armed services veterans and members of the armed forces are entitled to loans protected by the Veterans Administration (VA). The major share of such VA benefits accrues to middle income households - in fiscal 1976, to those households with net incomes averaging \$22,240. These programs have resulted in deconcentration of the inner city and increased new housing stock in the suburban rings.<sup>24</sup>

This federal legislation has led to the deconcentration of the cities and the increasing population of the suburbs. This process can be curtailed by revitalization of existing housing stock.

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<sup>23</sup>Robert E. Ryan, "Lines and Numbers," H.U.D. Challenge 10 (March 1979):29.

<sup>24</sup>Ibid.

However, there must be legislation adopted to finance redevelopment of these "older declining areas."

Lastly, the fiscal crisis and the underclass hypothesis.

According to David C. Perry and Alfred Watkins,

One reason for the fiscal crisis has to do with expensive welfare programs which have caused inordinately high taxes which has directed private funds away from profitable investment ventures. Under these circumstances, social programs work against the health of our cities and is a major cause of their fiscal crises.<sup>25</sup>

Next, it is important to examine the United States social and economic climate during the late 1960s and early 1970s, since it was crisis-oriented. For example, Dr. Martin Luther King, Jr. was assassinated April 4, 1968, and burning and looting took place across the nation. In the District of Columbia alone, "A direct tax loss of almost 3 million dollars ... is estimated in this next fiscal year. Direct emergency expenditures of 1.6 million dollars were incurred by the D.C. government in the period of April 4 to April 9, 1969."<sup>26</sup> Also contributing to uprising, according to the Kerner Report:

No American--white or black--can escape the consequences of the continuing social and economic decay of our major cities .... To continue present policies is to make permanent the division of our countries into two societies: One largely negro and poor, located in the central cities; the other, predominately white and affluent, located in the suburbs and outlying areas.<sup>27</sup>

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<sup>25</sup>David C. Perry and Alfred J. Watkins, "Frostbelt, Sunbelt and Straightjacket: Carter's Urban Policy," Nation, vol. 227 (September 16, 1978):236.

<sup>26</sup>Report of City Council Public Hearings on the Rebuilding and Recovery of Washington, D.C. from the Civil Disturbances of April 1968, Government of the District of Columbia City Council, pp. 1-6.

<sup>27</sup>Ibid., p. 6.



This type of civil unrest was the last straw for many whites. It was various integrationist policies of the late 1950s and early 1960s that precipitated their "white flight" as well as rioting.

In his recent text, Deil S. Wright points out that there are several reasons for these economically difficult times, particularly with regard to cities:

1. Inflation, energy and environmental problems, including the weather, have conspired to deal harsh blows to cities and other local entities; fate has dealt with local governments.
2. Public policies of an IGR nature, some deliberative and some unwilling, have produced results that are discriminatory and unwise, e.g., welfare responsibilities lodged at the local level; real estate development and mortgage policies that promote urban sprawls and service chaos; transportation policies that promote disposal of persons of wealth and that also consume much natural energy.
3. Governmental rigidities, balkanization and chaos have resulted from the small, inefficient size of government units in both urban and rural areas.
4. Localities have failed to produce or acquire persons with the political leadership, the policy management skills, and the administrative abilities to cope with the societal needs and public service demands placed on cities, counties, and other local jurisdictions.<sup>28</sup>

Secondly, let us consider a reduction in the national rate of population growth.

The birth rate in the United States declined from almost 24 percent or 1,000 in the late 1970s. Consequently, the rate of natural increases in population has fallen sharply. Some metropolitan areas have been sources of net

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<sup>28</sup>Deil S. Wright, Understanding Intergovernmental Relations (Boston: Duxberry Press, 1978), p. 68.

outmigration which often results in population loss. Alonso, in fact, finds that the low rate of national population increase is a more important cause of the recent slowdown in metropolitan population growth than is the admittedly dramatic reversal in direction of migratory flows.<sup>29</sup>

Thirdly, the United States economy during the decade of the 1970s was crisis-oriented. Surprisingly, during this decade, many citizens began to question the honesty of many of our public officials. The 1975 oil embargo put a great deal of pressure on locational patterns and trip demands of persons living in the suburbs. Clearly, there was an economic slowdown or recession which tended to reduce growth of major metropolitan cities similar to Atlanta. The economy reacted to these events; there was an increasing rate of unemployment in 1973-74 (see Appendix C). Nevertheless, it is probably true that the state of the national economy exerts some influence on the rate of deconcentration.<sup>30</sup>

In sum, these hypothesis are stated as a premise from which a relative conclusion may be drawn. These hypotheses are not tested in this study scientifically and are just hypothesis, but are all a representation of various authors or organization's reasoning as to why urban areas have declined. Each of these hypothesis is as varied as each of the authors are as individuals. Therefore, it is

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<sup>29</sup>James Heilbrun, "Industries: The Growth of Cities and Metro Areas," Urban Economic and Public Policy (New York: St. Martin's Press, 1981), p. 58.

<sup>30</sup>Kevin F. McCarthy and Peter Morrison, "The Changing Demographic and Economic Structure of Metropolitan Areas in the United States," International Regional Science Review (Winter 1977):125.

important that each hypothesis be examined within its appropriate social and geographic context.

Perhaps the most convenient way is to examine what factors contribute to the city's decline. It is to examine the factors that push people and businesses out of the inner city and those attracting people and businesses to the suburbs. The push factors are usually the negative factors: lack or decline of city services; garbage collection, street cleaning, and transportation, deteriorating infrastructure: streets resurfacing, sewer and bridges, declining public school enrollment, high crime rate: rape, drug abuse and larceny, restricted financing and redlining. Suburban pull factors are: growth, new and cleaner high tech industry, less pollution, less crowded, homogeneous and white, incomplete infrastructure: roads, street lights, and sewer drainage but new, income high, new schools and services, abundant and inexpensive financing and lower taxes. Ironically, much of the initial low cost and attractiveness of suburban sprawl has turned out to be short term. Servicing costs are now rising rapidly in suburban areas and property taxes have virtually exploded. The future promises more of the same. As the need to replace or extend public services in these low-density suburbs increases, and as the cost of energy and the difficulties and cost of commuting rise and when the social costs of underpopulated inner cities begin to appear in government expenditures, then perhaps the real long-run costs will be visible. At that time the social value of land, housing and location in the inner city may be better appreciated.

## V. ANALYSIS

The specific boundaries of the study area are as follows: Beginning at the intersection of Ellis and Ivy Streets, running east along Ellis Street, across the Downtown Connector, to the so-called Stone Mountain Stub; continuing east along the stub to Boulevard; then north along Boulevard to Highland Avenue to the Southern Railway tracks; then following the railroad southerly until it merges with the Georgia Railroad; then following the Georgia Railroad westerly until it passes under Central Avenue, then along Central Avenue and continuing along Ivy Street to the intersection with Ellis Street and the point of beginning. These boundaries encompass approximately 430 socioeconomic problem-plagued acres. The "Sweet Auburn" environment is subjected to a multitude of particular problems that impact negatively on the study area. The problems specific to Sweet Auburn are many, but may be best observed by studying various socioeconomic characteristics of the area: crime, area economy and income, characteristics of population, land use and housing. By examining these variables and available statistical data we can get an idea or a picture of Sweet Auburn's socioeconomic state relative to lack of redevelopment.

### Crime

Based on informal interviews with people from both inside and outside the area, a key factor to the revitalization of the area is

a real or perceived crime problem, particularly on Auburn Avenue. A 1980 study on open space robbery (i.e., mugging) in Atlanta by the Metropolitan Crime Commission, Inc. stated that the second largest concentration of open space robberies in the central business district occurred on Auburn Avenue between Piedmont and the expressway, as well as Butler and Bell Streets, and Edgewood Avenue, between Butler and Bell. The area under and adjacent to the expressway on Auburn Avenue has been of continuing concern to area businessmen.

Table 1 gives comparative information on seven major crimes for the area for 1981 and 1982. In the first half of 1982 in the total impact area, 762 major crimes against persons and property (Part I, crimes) were committed. This figure represents a 7.8 percent increase over the first half of 1981; however, within the park itself, Part I crimes declined from 219 to 184 (a 16 percent decrease). The rest of the city outside the impact areas experienced a 2.9 percent decrease in major crimes in the first half of 1982 versus the first half of 1981.<sup>31</sup>

Until perceptions of crime are changed in the area, any major redevelopment will be hindered. Visitors will not be attracted to an area where they perceive security risks from vagrants, winos, and other "undesirables" on the street.

The problem of crime has impacted negatively upon the environment in that it has caused shop owners to pay extremely high insurance rates to protect their investments. Blacks cannot get insurance on an

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<sup>31</sup>Atlanta, Georgia, Bureau of Police Service and Office of Management, vol. 1 (1983).

TABLE 1

## PART I, CRIMES FIRST HALF OF 1981 VS. FIRST HALF OF 1982

	National Historic Site		Sweet Auburn Preservation District	
	(First Half) 1981	(First Half) 1982	(First Half) 1981	(First Half) 1982
Homicide	0	0	1	1
Rape	0	0	3	1
Robbery	3	4	39	24
Assault	6	6	33	18
Burglary	10	11	16	11
Larceny	8	10	47	42
Auto Theft	1	1	8	4
Total	28	32	147	101

Source: City of Atlanta, Bureau of Police Services and Office of Management Services (1983).

TABLE 1 continued

	<u>Total Impact Area</u>		<u>Remainder of City</u>	
	1981 (First Half)	1982 (First Half)	1981 (First Half)	1982 (First Half)
Homicide	4	2	110	75
Rape	12	15	507	518
Robbery	99	84	3,361	3,179
Assault	181	162	4,769	5,024
Burglary	80	106	9,141	8,034
Larceny	297	354	14,843	14,856
Auto Theft	<u>34</u>	<u>39</u>	<u>1,820</u>	<u>1,872</u>
Total	707	762	34,551	33,558
		(7.8% increase)		(2.9% decrease)

Source: City of Atlanta, Bureau of Police Services and Office of Management Services (1983).

equal basis and, at times, cannot get insurance at all. Another negative impact of crime is that investors and developers may be reluctant to buy into an area where their potential clients will not come. A market study of the park sites has been undertaken by a division of the National Park Service. This study should provide more detailed guidance regarding the feasibility of redevelopment and also the most appropriate uses to accomplish any revitalization. Lastly, crime has impacted negatively upon the businesses within the area. The negative impact is the cost of security: burglar bars, security guards, alarm systems. This type of costs decreases the businesses' profit margins and makes locating there undesirable.

#### Area Economy

Local economic activities are centered in the major institutional complex south of Edgewood Avenue and west of the expressway, in the small commercial uses along Auburn Avenue, and in the light industries and repair services catering to a more regional clientele along Edgewood Avenue and Decatur Street.

The major employers located in the area are, by a wide margin, Grady Hospital (3,800 employees) and Georgia State University (4,260 employees). Other large employers or key businesses include Atlanta Life Insurance Company (186 employees), one of the largest black-owned insurance firms in the nation; Citizens Trust Bank, the major black-owned bank in Atlanta; the city's Martin Luther King, Jr. Center for Non-violent Social Change (49 employees) Breman Iron and Metal Company (35 employees); A. C. White Moving and Storage Company (35 employees);



Atlanta Belting Company (40 employees); Dynamic Metals (30 employees); and Southern G. F. Company (102 employees). Another key business, the Atlanta Municipal Market on Edgewood Avenue, offers a variety of fresh produce and meats to a widely scattered clientele.<sup>32</sup>

Information on local employment levels is presented in table 2, and table 3 presents gross sales volume for the study area. Both sets of figures are derived from the city's business license file and do not include insurance companies, professional offices or institutions like Georgia State University and Grady Hospital. Currently, business (with the major exceptions noted before) within the area employ 1,721 people and generate a reported total sales volume of over \$50,000,000.<sup>33</sup>

The area economy of Sweet Auburn is in serious trouble. The unemployment level is high as a percentage of the total number employed. However, it appears from viewing the sales volume (table 3) that the area is a successful business area, considering institutional uses.<sup>34</sup>

But this view is distorted because of many institutional uses in the area. However, the Civil Rights Movement allowed many blacks to move freely and resulted in shifts to suburban areas and a decrease in residential population of Sweet Auburn. Employment also shifted to

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<sup>32</sup>Atlanta, Georgia, Business License File, Employment, vol. 1 (1983), p. 19.

<sup>33</sup>Ibid.

<sup>34</sup>Atlanta, Georgia, Business License File, Sales Volume, vol. 1 (1983), p. 19.

TABLE 2

TOTAL EMPLOYMENT, 1980-82  
(in thousands)

	<u>1980</u>	<u>1981</u>	<u>1982</u>
Sweet Auburn Preservation District	361	364	338
National Historic Site	96	118	87
MLK Preservation District	259	264	262
Remainder of Impact Area	<u>1,127</u>	<u>1,148</u>	<u>1,034</u>
Total Study Area	1,843	1,894	1,721

Source: City of Atlanta, Business License File, Employment,  
vol. 1 (1983).

TABLE 3

## TOTAL REPORTED SALES VOLUME, 1980-1982

Sweet Auburn Preservation District	11,611,782	10,548,128	10,698,508
National Historic Site	1,058,600	1,266,600	1,260,500
MLK Preservation District	7,958,770	6,640,589	8,727,502
Remainder of Study Area	<u>37,497,178</u>	<u>39,148,335</u>	<u>38,375,431</u>
Total Impact Area	58,126,330	59,713,652	59,461,941

Source: City of Atlanta, Business License File, Sales, vol.  
1 (1983), p. 19.

the suburbs and the central city lost many of its blue collar jobs which tend to be associated with the poor. Most of these new blue collar positions are barely accessible to transportation and are located in places as far away as Gwinnett. So to an inner city worker with no automobile, the cost in time and money of reaching a suburban job by commuter railroad and/or multiple bus connection is to no avail when they consider their minimum wage salary. In short, the inner-city resident, especially when isolated in an ethnic neighborhood such as Sweet Auburn, is increasingly out of touch with the labor market.

#### Characteristics of the Population

In 1980, the study area had a population of 6,566, a 31 percent decrease from 1970. The greatest loss in population (a decrease of 42 percent) occurred in Census Tract 29 which lies north of Edgewood Avenue, east of Jackson Street, south of Highland Avenue, and west of the Southern Railroad line. Ninety-seven percent of the impact area population was black.

Since 1970, there has been an increase both in the size and proportional representation of the elderly population (sixty-two years of age or older). In 1970, 15 percent of the population was elderly; in 1980, the elderly comprised 27 percent of the population. In absolute numbers, the elderly population increased from 1,435 persons in 1970 to 1,772 persons in 1980, a 24 percent increase.

Concurrently, there was a 54 percent decrease in the number of persons who were eighteen years old or younger. In 1970, 1,433 persons, 23 percent of the population, was in this age group. City-wide, the

percentage decrease in the number of persons at or under eighteen was 29 percent.

Table 4 shows the age distribution of the impact area population in 1980. The total number of families in the study area declined by 34 percent between 1970 and 1980 while there was only a 9 percent decrease in the number of households. The percentage of households that were families was reduced from 62 percent in 1970 to 45 percent in 1980. The decrease in family households was primarily due to an increase in one-person households; between 1970 and 1980, the proportion of total households that were one-person increased from 32 percent to 54 percent. City-wide, one-person households increased from 22 percent in 1970 to 33 percent in 1980. Average household size in the impact area decreased from 2.86 to 2.14 persons per household between 1970 and 1980.<sup>35</sup>

Sixty-one percent of the households in the impact area were headed by females in 1980. Forty-three percent of these households contained two persons or more and no husband present; 63 percent of the latter households included one child or more. Only 35 percent of the families in the impact area in 1980 were headed by a wife and husband; city-wide, this figure was 58 percent.

In 1979, median household income was \$4,834 in the impact area compared to a city median of \$11,297. Seventy-four percent of the area's households earned less than \$10,000 annually. Table 5 shows

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<sup>35</sup>U.S. Department of Commerce, Bureau of the Census, Twentieth Census of the United States, 1980: Population (Washington, D.C.: Government Printing Office, 1980), p. 39.

TABLE 4

MARTIN LUTHER KING, JR. IMPACT AREA AGE  
DISTRIBUTION OF POPULATION-1980

<u>Age</u>	<u>Number of Persons</u>	<u>% of Total</u>
1	88	
1-2	155	
3-4	150	
5	79	
6	87	
7-9	255	
10-13	269	23.2
14	85	
15	83	
16	97	
17	85	
18	92	
<hr/>		
19	95	
10	116	
21	114	
22-24	323	
25-29	440	50.2
30-34	352	
35-44	621	
45-54	697	
55-59	364	
60-61	178	
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62-64	228	
65-74	899	26.5
75-84	481	
85+	133	
	<hr/>	<hr/>
	6,566	100

Source: U.S. Department of Commerce, Bureau of The Census,  
Twentieth Census of the United States, 1980: Population (Washington,  
D.C.: Government Printing Office, 1980), p. 39.

the distribution of household income in 1979 in the study area. Households are smaller than in 1970, probably due to an increase in one person households. Almost two-thirds of the households in the area are headed by females. Only a little more than one-third of the families include both husband and wife.<sup>36</sup>

The study area may be characterized as a predominantly black, low-income area. The 1980 census data suggest that the population has aged since 1970, young people have grown up and left the area, probably because of lack of economic opportunity. In accordance with national and city-wide trends, traditional family structures in the impact area have eroded.

Income within the impact area is very low and has impacted upon Sweet Auburn negatively in that the area does not provide a sound financial base within the community to employ its own. The main problem with the residents of Sweet Auburn is their lack of job training and necessary skills. Also, there exists traits of helplessness, despair, a relatively strong propensity to break laws written by others, large number of illegitimate children, family size considerably beyond the capacity of family income, a tendency to be impulsive and present-oriented, fatherless families, and especially important, a harsh and defeating self-contempt--all are said to lead to a life style outside the mainstream of American economic and social life.

Households within the area are usually composed of elderly persons or female-headed households; this contributes negatively to

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<sup>36</sup>U.S. Department of Commerce, Bureau of the Census, Twentieth Census of the United States, 1980: Income (Washington, D.C.: Government Printing Office, 1980), p. 10.

TABLE 5

MARTIN LUTHER KING, JR. IMPACT AREA  
1979 INCOME

<u>Income Range</u>	<u>Households</u>
Less than \$2,500	756
\$ 2,500 - 4,999	889
5,000 - 7,499	439
7,500 - 9,999	318
10,000 -12,499	306
12,500 -14,999	101
15,000 -17,499	86
17,500 -19,999	50
20,000 -22,499	49
22,500 -24,999	40
25,000 -27,499	26
27,500 -29,999	19
30,000 -34,999	25
35,000 -39,999	0
40,000 -49,999	45
50,000 -74,999	16
75,000+	7
Total	3,172

Note: Includes Landmark Condos (154 occupied units)

	Impact Area	City-wide
Household Mean	\$7,652	\$16,724
Household Median	4,834	11,297
Per Capita	3,575	6,412

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Source: U.S. Department of Commerce, Bureau of the Census,  
Twentieth Census of the United States, Income (Washington, D.C.:  
Government Printing Office, 1980), p. 10.

the area economy. The incomes of these persons are unable to sustain a viable commercial district because their monies tend to be allocated for basic needs: food, clothing and shelter. The clothing tends to be purchased in the white shopping malls which provide a more competitive price. Another line of thought is that the poor must have a place to live. Because their income will not allow them to live in high rent districts, many persons living within the low-rent districts are usually unemployed or on welfare or social security disability assistance. Such low incomes or no income is often associated with vagrants and persons standing around on corners drinking.

As one walks down Auburn Avenue, there is visible evidence of habitually drunk persons and vagrants. Lastly, the incomes of residents, according to table 2 of the 1980 census, reveal the greatest concentration of incomes tend to be centered between the range of \$2,500-\$4,999. This, in fact, places the area in the position as a low-income area. Moreover, the distribution of age groups within the "Sweet Auburn Area" demonstrates a trend toward fixed incomes due to the large elderly population.

#### Land Use

The section of the study area lying west of the I-75 connector consists primarily of institutional, office, and commercial uses. South of Edgewood Avenue, this section is predominantly institutional; Georgia State University and Grady Hospital both represent stable uses which serve as activity generators in the area.



North of Edgewood Avenue, the major office and commercial uses on Houston Street, Courtland Street, and Ivy Street are economically viable and tied to the economy of the Central Business District. The commercial establishments along Auburn Avenue and Edgewood Avenue primarily provide goods and services to Impact Area inhabitants east of the connector. These two streets, which are the heart of the Sweet Auburn District, are characterized by a mixture of viable and marginal businesses. At least fourteen commercial structures are vacant and in various stages of deterioration. Three of the vacant buildings on Auburn Avenue are considered to be highly significant historically: Rucker, Odd Fellows, and Herndon Buildings. Edgewood Avenue east of the I-75/85 connector is a predominantly commercial strip. In character, the commercial establishments along Edgewood Avenue are much the same as those along Auburn and Edgewood west of the connector.

Overall, the Impact Area to the east of I-75/85 connector consists of a mix of residential, commercial, manufacturing and institutional uses. The quadrant north of Edgewood Avenue, south of the Stone Mountain Stub and west of Boulevard is dominated by the 472 unit Wheat Street Garden Apartments, the Martin Luther King, Jr. Community Center and the Martin Luther King, Jr. Center for Non-Violent Social Change, and the Walden Middle School. The northern section of Wheat Street Garden Apartments (Phases 2 and 3) is severely deteriorated and has been foreclosed. The northeast corner of the quadrant has several large manufacturing and commercial parcels which are vacant.

The northeast quadrant is bounded by Highland Avenue on the north, the Southern Railroad on the east, Edgewood Avenue on the south, and Boulevard on the west. This area, which is predominantly residential, includes almost all of the Old Fourth Ward District. At present, approximately two dozen of the residential structures in the area are vacant, some badly deteriorated. Most of the vacant parcels in the impact area are found in this quadrant and the quadrant immediately to the south.

The latter quadrant, which is bounded by Edgewood Avenue on the east, Decatur Street on the south, and Boulevard on the west, has the highest proportion of sub-standard residential structures in the study area. Most of these structures are small frame cottages. The remaining quadrant which lies south of Edgewood Avenue and west of Boulevard, is dominated by public and private multi-family developments. Grady Homes, including the Antione Graves Home for the elderly, provides 826 units of housing for low income individuals. A 3.5 acre park, Butler Park, is located adjacent to Grady Homes. The manufacturing uses in the study area are located along Decatur Street east of the connector and along the Southern Railroad line north to Highland Avenue.

All of the national park site east of Jackson Street will be afforded special protection from inappropriate development and land use changes by being designated an Historical and Cultural Conservation (HC) Zoning District. Proposed regulations for the new HC district require any use changes, any physically visible alteration to an existing structure, and any new construction are to be approved by the Atlanta Urban

Design Commission under guidelines specifically designed for the area.

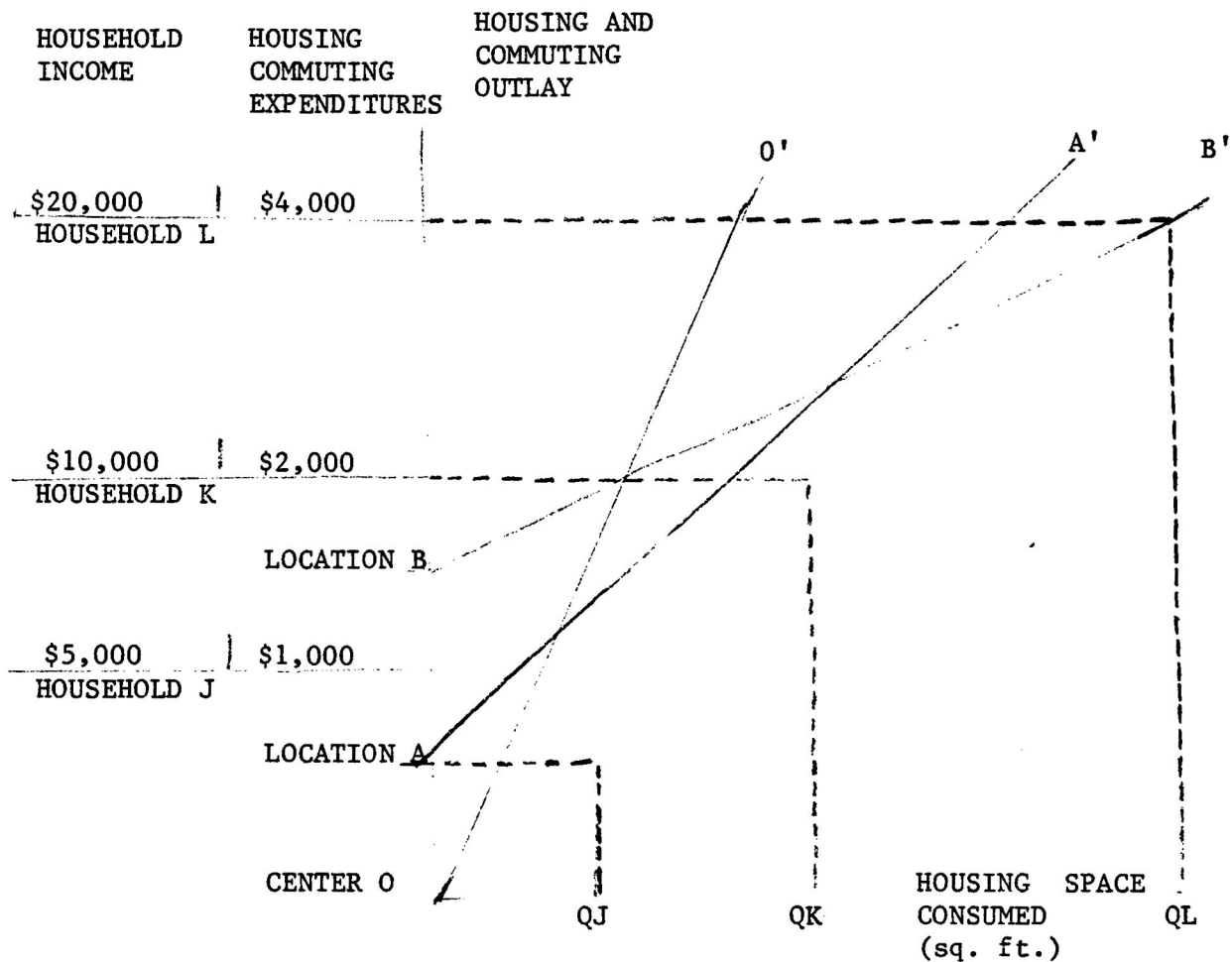
Of the 1,014 parcels within the impact area, only 160 (mostly small parcels) are owned by individuals or corporations with mailing addresses outside the city. Property within the area is assessed at approximately \$100,000,000, of which two-thirds is tax exempt. (Atlanta and Fulton County assess at 40 percent of fair market value.) The majority of exempt value is accounted for by Georgia State University and Grady Hospital.

Income relative to land use is significant in that income tends to influence various types of household locational choices. This is evident in "Sweet Auburn" residents selection of housing. By examining site and rent as it relates to income, we find the majority of "Sweet Auburn's" residents household mean income is \$4,834 as opposed to city median of \$11,297. A more visual explanation of site rent land use patterns, can be demonstrated by various households and community expenditures using the data collected from the 1980 census and plugging in various commuting expenditures. For example, see graph 2, which follows.

The graph demonstrates that with an increase in income, that is, the further distance one moves away from the central business district, the greater the expenses incurred with regard to housing and commuting outlays. This is indeed supported by observing the decreasing central city population and growing fifteen surrounding counties, particularly Gwinnett County. In the January 1973 issue of Atlanta Magazine, the county was described:

GRAPH 2

## SITE RENT, LAND USE PATTERNS, AND THE FORM OF THE CITY



Source: James Heilbrun, "Site Rent, Land Use Patterns and the Form of the City," Urban Economic and Public Policy (New York: St. Martin's Press, 1981), p. 141.

During the past decade over 95,000 people and 400 businesses and industries have moved to Gwinnett, filling in the plentiful open spaces between small country towns like Buford, Decula, Lawrenceville, Snellville and Lilburn and making the county the fastest growing in the nation.<sup>37</sup>

This kind of outward growth has a significant impact on the land use of Sweet Auburn.

Secondly, land use within the "Sweet Auburn" area has gone through what is known as land use succession: in which both buildings and sites pass through a succession of uses. This has occurred on Auburn Avenue beginning with its rezoning as a National Historic Site and Preservation District in 1980 (Public Law 96-428). The New Atlanta Life Office Complex and contemplating use of the older building as a possible Afro-American Museum, the Odd Fellows Theatre is for sale and the corner store is now the Neighborhood Arts Center. Sweet Auburn District has changed from a business orientation to historical culturally oriented district. There has been several suggestions regarding the land use; residential community, theme park, business district, and food and eatery strip and tourist attraction. All of these different suggestions have led to confused expectations. This land use problem has impacted negatively upon the environment in that residents have been confused and concerned about major changes within the community. So disturbed that residents have begun to form their own interest groups to preserve the community as it is. On the other hand, the National Park Service is interested in a plan for renovation

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<sup>37</sup>Lisa Lawley, "The New Atlanta: The Entire 15-County Standard Metropolitan Statistical Area (SMSA)," Atlanta Magazine, vol. 22, no. 9, January 1983, pp 21-22.

and leasing housing now in the hands of absentee owners; the objections raised by some community people the writer interviewed have been government's role as landlord. One resident has likened the National Park Service to an overseer, with the implication that a bureaucratic agency is unlikely to be responsive to the needs of the people living in housing it administers.

Thirdly, the concept of preservation easements is also opposed by many of the residents. The easements are largely misunderstood, but the idea of selling any control over one's property to the government is clearly seen as unwise. An elderly man who prides himself on maintenance of his home worries that the commission that would set preservation standards would not allow him to paint the house when and how he wants it to be painted. A younger resident charges that preservation easements are a form of paternalism, imposed by the government because Park Service administrators assume that the poor, uneducated residents do not have enough sense to keep up their property themselves. While other residents of the Sweet Auburn community have welcomed the Park Service as a potential catalyst in attracting city funds and tourists dollars to an area long neglected, this easement concept impacted negatively in that it has divided the community along value and behavior lines. However, positively the impact of the NPS is increased tourism and the possibility of job opportunities.

#### Housing

The total number of housing units within the impact area in 1980 was 3,428, an increase of 3 percent from 1980. Eleven percent of

these units were owner-occupied compared to a city-wide average of 41.3 percent. In 1970, 10 percent of the housing units within the study area were owner-occupied.

As shown in table 6, monthly contract rent for 74 percent of the housing units in the study area was less than \$100 in 1980. Average rent in the area was \$80 per month compared to a city average of \$161. Single family housing in the impact area is concentrated east of Boulevard in the Old Fourth Ward and in the area immediately south.<sup>38</sup>

Grady Homes, a public housing project which lies adjacent to the connector, has 616 units. The Antoine Graves elderly highrise and annex, also an Atlanta Housing Authority project, has 310 units of 826 for the elderly. Wheat Street Gardens, a 472 unit development built in 1969 under Housing and Urban Development's Section 221/D3 program is located north of Auburn Avenue near the connector. The northern section of Wheat Street (192 units) is severely deteriorated and presently in property foreclosure. Wheat Street Towers, a H.U.D. Section 202 highrise for the elderly, provides 210 units. Bethel Towers, another elderly highrise built under the low interest HUD Section 236 programs, has 182 units. There are several privately-owned multi-family developments which are scattered throughout the study area. The dwellings vary widely in size and structural condition.

The housing in the "Sweet Auburn" area has had a significant negative impact on the environment when we consider that in the 1950s the city undertook two programs that had a devastating impact on inner

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<sup>38</sup>U.S. Department of Commerce, Bureau of the Census, Twentieth Census of the United States, 1980: Contract Rent (Washington, D.C.: Government Printing Office, 1980), p. 15.

TABLE 6

## MARTIN LUTHER KING, JR. STUDY AREA

## Monthly Contract Rent Distribution, 1980

<u>Rent Range</u>	<u>Number of Units</u>
Less than \$50	546
\$ 50 - 99	1,496
100 - 119	335
120 - 139	187
140 - 149	40
150 - 159	48
160 - 169	23
170 - 199	39
200 - 249	24
300 - 399	0
400 - 499	1
500 or more	1
No cash rent	13
	<hr/>
	2,757 (reporting)

Total Rent = \$218,710.00

Average Rent = \$80 per month

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Source: U.S. Department of Commerce, Bureau of the Census,  
Twentieth Census of the United States (Washington, D.C.: Government  
 Printing Office, 1980), p. 15.



city black neighborhoods: urban renewal, construction of interstate highways, and civil rights legislation.

The urban renewal program was designed to remove slum housing to make way for civic improvements; its negative effect was to displace many black families in the Sweet Auburn area, including those who lived in the block between Jackson and Boulevard. Construction of the city's freeways also took a heavy toll on Auburn Avenue, as houses and commercial establishments were destroyed and the avenue was cut in two by the major north-south (I-75/85) expressway.

Ironically, it is said by some that the very successes of the civil rights movement brought about the decline of "Sweet Auburn." Now all white businesses, schools, and institutions were opened to blacks which allowed them accessibility to other markets made neighborhood businesses less attractive. The success of the civil rights movement prevented the consolidation of the west side business district (Hunter Street, now MLK Drive). At the same time, civil rights movement afforded middle class blacks the opportunity to move to the suburbs in increasing numbers during the 1970s, leaving in "Sweet Auburn" the older and poorer residents with less buying power. Economic investment dropped off and few new businesses have started in the area during the past decade.

Much of the recent housing and social initiative taken in "Sweet Auburn" has come from the churches, which have built low-income family housing: Wheat Street Garden Apartments, and highrises for the elderly: Wheat Street Towers and Bethel Towers. The city constructed a community center with a gymnasium, branch library, and in-door

swimming pool, and the King Center has such social services as a day care center, job training programs for youth, and literacy classes. City housing programs are only now targeting the area for assistance, although much of the housing stock is in a dilapidated condition.

## VI. CONCLUSION AND RECOMMENDATIONS

The study provided information indicating that the "Sweet Auburn" area has the highest crime rate, lowest incomes, least amount of skilled persons, greatest number of elderly residents and highest number of female-single parented families within the city. All of these problems contribute to the social disorganization of the study area which have impacted negatively upon "Sweet Auburn's" ability to attract private financing for redevelopment.

Also contributing to the lack of redevelopment is the unintended policy result of the civil rights legislation, urban renewal, and National Highway Transportation Act. Individually, each of these policies impacted negatively in that they caused population shifts, from city to suburbs which left many older areas open to those with less economic buying power. While others moved to neighborhoods abandoned by whites fleeing to the suburbs, "Sweet Auburn" stood virtually abandoned and left with those unable to afford newer housing stock. Since the unintended impact of this legislation "Sweet Auburn" has been determined historically significant and now is known as the Martin Luther King, Jr. Historical District. This determination allows shop owners and other interested business persons a 20 percent discount when investing in redevelopment of business in the area. Hence, the factors contributing to lack of redevelopment are being considered and federal

(National Park Service) local efforts to redevelop the area into a national park site are underway.

### Recommendations

After having observed and documented the vast number of social and economic negative externalities within the study area, these recommendations are made:

(1) The city council and the board of the Sweet Auburn Historical District should implement the Private Industry Council Program. This program is targeted for areas of high unemployment similar to "Sweet Auburn" and is designed to teach the unskilled a skill.

(2) The city should apply for Economic Planning grants for the study area. This grant would develop variously at the state, multi-county and community levels, a capacity for economic development planning that is comprehensive in scope, is coordinated with other programs, and look toward the effective use of resources in creating full-time permanent jobs for the unemployed and underemployed, especially in economic stricken areas.

(3) The "Sweet Auburn" community should organize a neighborhood watch program throughout the many churches in the community. Then the community churches can bring pressure to bear on city government to lend assistance when needed.

(4) The city police department should be asked to increase police surveillance in the targeted area.

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